

Japan: Canned Tuna under New Prices; Frozen and Canned Exports Decline; New Ventures Formed

TRIAL SALES OF CANNED TUNA TRIED AT NEW PRICES

The Tokyo Canned Tuna Sales Company (representing packers) on May 4, 1973 conducted trial sales of about 51,000 cases of canned tuna in brine for export to the United States under new prices. Four can sizes were offered from among the stocks carried over from the previous year's production. (Note: This is the first time the Sales Company has offered canned tuna since the second U.S. dollar devaluation and yen flotation.) The sales prices for all can sizes have been reduced from the pre-float quotations. Closing date for the sales was to be May 10, with shipments to be made within 45 days from the date of contract with trading firms. Attention is being focused on the sales since the prices for some can sizes will be higher in US dollars than before because of the upward float of the yen. ("Kanzume Joho," May 8, 1973.)

New Prices of Canned Tuna in Brine for Exports to U.S.

Can Size	Price per Case ¹			
	New Price		Old Price	
	Yen	US\$ ²	Yen	US\$ ³
SOLID:				
Light Meat:				
7-oz. 48's	4,050	15.23	4,450	14.83
13-oz. 24's	4,000	15.04	4,350	14.50
66½-oz. 6's	4,400	16.54	5,270	17.57
CHUNK:				
White meat:				
66½-oz. 6's	6,000	22.56	6,300	21.00
Light meat:				
66½-oz. 6's	4,100	15.41	5,000	16.67

¹Ex-warehouse, Shimizu, Japan.

²Based on current floating rate of 266 yen equal one US dollar.

³Based on 300 yen equal one US dollar.

FROZEN AND CANNED FISHERY EXPORTS DECLINE

Japanese frozen and canned fishery exports during January-March 1973, based on customs clearance data, declined for most of the products as com-

pared with the first quarter of 1972. Fresh and frozen tuna exports were down about 20 percent from the comparable 1972 period. Among the canned products, tuna, salmon, and crab all recorded a decline ("Suisan Tsushin," May 4, 1973.)

NEW FISHERY VENTURES FORMED

The Japanese fish net manufacturer Nichimo and two New Zealand firms, J.B.L. Seafood Company and the Development Finance Corporation (DFC) on May 1, 1973 formed a joint fish processing venture. The joint company, named Jaybell (phonetic)-Nichimo, with head office to be located in Auckland, will be organized with a capital of NZ\$1.3 million, to be contributed 24.9 percent by Nichimo, 25.2 percent by D.F.C. and 49.9 percent by J.B.L. Seafoods. The new company will engage in buying and processing fish and shellfish as well as in selling Nichimo's fish nets and other fish and vessel supplies. Fishery products will be exported primarily to the United States, Japan and Australia. Exports to Japan, mostly frozen sea bream and hardtail, are expected to reach 2,000 tons annually with a value of about 600 million yen (US\$2.26 million, based on current floating rate of 266:1). ("Suisan Tsushin," May 8, 1973.)

The Japanese fishery firms Taiyo and Nippon Hogeï and one trading firm, Mitsubishi Shoji, are shortly forming a joint fishing and processing venture in Peru in partnership with the Peruvian Fishery Public Corporation (EPSEP). A formal agreement was scheduled to be signed in Tokyo May 13 between the Japanese and the Peruvian EPSEP's President Juillermo Arbur, who was expected to arrive in Japan shortly. The new company, to be named Chalwa del

Peru, S.A. ("Chalwa" is phonetic spelling), is to be financed 33 percent each by Taiyo-Nippon Hogeï group and Mitsubishi, and 34 percent by EPSEP. In three years the invested capital is expected to total US\$10 million. The joint company will engage in fishing for merluza (hake) and shrimp, fish processing, manufacture of fish-ham sausages and canning. Most of the processed products will be exported to the United States, European countries and Japan. The Peruvian corporation's tie-up with the Japanese is believed to be aimed at utilizing Japanese fishing and processing technology to diversify the Peruvian fishery industry, which is based primarily on a single species, anchoveta, the catch of which sharply declined in 1972 because of abnormal oceanic conditions. ("Suisan Tsushin," May 2, 1973.)

A group of Japanese businessmen have offered to enter into a joint eel culture venture in the Philippines with a local firm, the Government of the Philippines announced. The business group, from Showa Denko, one of Japan's largest chemical plants, and the Apollo Trading Company, made the proposal. President Ferdinand Marcos endorsed their request to the Department of Agriculture and Natural Resources. The two Japanese companies have been conducting research on eel production in the Cagayan Valley, north of Manila, for the last three years and they were confident they could place eels grown here on the world market. (AFP Manila dispatch carried in "The Mainichi," April 6, 1973.)

Source: Summarized from the Japanese press by James H. Shohara, Translator, NMFS Division of Foreign Reporting.

PERU NATIONALIZES FISHMEAL INDUSTRY

Peruvian Fisheries Minister Javier Tantaleon, on May 8, 1973, announced that Peru's fishmeal industry would be nationalized. The decision to nationalize the industry was apparently

based on two factors: (1) the precarious state of the anchovy stocks, and (2) the growing indebtedness of the industry. Reportedly, the decision to nationalize the industry came as no surprise to knowledgeable sources.

The move is said to affect some 27,000 fishermen, 1,486 vessels and 105 plants.

India's Seafood Exports Up in 1972

India's seafood exports were 38,271 metric tons valued at US\$75.4 million in 1972.¹ During the previous year, exports totaled 34,032 tons valued at \$50.8 million. The increased value of India's seafood exports was largely due to the increasing world price for frozen shrimp. Other seafood exports included lobster tails, frog legs, canned shrimp and fish, dried fish and shrimp, and other fish products. The growth of India's seafood export industry is shown in Table 1. Its dollar value has increased tenfold in a decade.

Table 1.—India's seafood exports, 1963-72.

Year	Quantity	Value
	Metric tons	US\$1 million
1972	38,271	75.4
1971	34,032	50.8
1970	37,175	46.1
1969	30,584	42.9
1968	24,810	28.6
1967	21,764	25.8
1966	19,153	17.5
1965	15,457	8.9
1964	21,458	8.8
1963	17,908	7.6

SHRIMP EXPORTS

The leading export commodity, as in previous years, was shrimp. In 1972 India exported 30,550 tons of frozen shrimp worth \$66.0 million. In 1971 shrimp exports were 23,181 tons valued at \$40.6 million. Frozen shrimp now ranks as one of India's ten most valuable export commodities. The development of India's shrimp exports is shown in Figure 1.

¹Based on 770 Rupees = US\$1.00

Peru, at one time, supplied nearly 45 percent of the world's fishmeal and has been the world's most productive fishing nation in terms of catch.

Five United States firms have sizable investments in the fishmeal industry in Peru; total U.S. investment in that nation's fishery is believed to be around \$40 million.

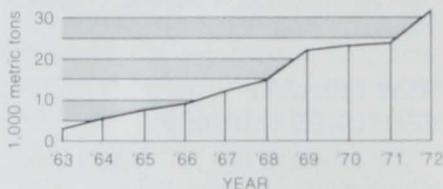


Figure 1.—India's shrimp exports, 1963-72.

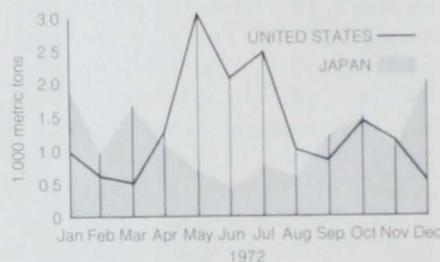


Figure 2.—United States and Japanese imports of frozen shrimp from India, by month, 1972.

In 1972, the United States imported 15,227 tons (versus 10,350 tons in 1971) of frozen Indian shrimp valued at \$27 million (against \$13.5 million in 1971).² Japan, which closely rivals the United States as India's largest customer, increased its purchases to 12,811 tons (versus 9,703 tons in 1971) valued at \$39.9 million (versus \$23.6 million in 1971).³ Heavy imports of less valuable, smaller-sized (over 80-count), P&D shrimp, by American importers accounted for the difference in value. The Japanese imported medium- to large-sized shrimp and paid a correspondingly higher price for their purchases. A comparison of U.S. and Japanese shrimp imports from India in 1972 is shown in Figure 2.

²Based on U.S. import statistics.

³Based on Japanese import statistics.

In spite of increased sales, 1972 was a complicated year for Indian exporters. The Japanese, for example, purchased less shrimp than Indian traders had expected. The Japanese, who purchased very large quantities in late 1971, were heavily stockpiled and the market in Japan did not firm until the last quarter when imports increased. Also, increased world shrimp production—Indonesia replaced India as Japan's largest supply source in 1972—affected the demand for Indian shrimp. At the same time, rising world prices for shrimp apparently began meeting consumer resistance. In the U.S. market, for example, Indian shrimp is largely purchased by a fairly small number of processors who, viewing the uncertainties of the American market, purchased less shrimp than they might have in a strong market. Several Indian traders, anticipating strong world demand and increased prices, apparently misjudged in their purchases and were forced to suspend business.

There were additional problems affecting the Indian shrimp industry in 1972. The lack of refrigerated carriers traveling to Europe, where Indian seafoods are becoming increasingly more popular, was one problem. The Indian industry believes this causes over-reliance on traditional markets. Finding reliable freight routes to new markets continues to be a major item of concern in India.

There was a sharp decrease in shrimp production in Kerala where the Indian shrimp industry was born. In 1971, fishermen in Kerala produced 85 percent of India's shrimp; in 1972 that figure had dropped to 67 percent. Indian sources believe that offshore and deep-sea stocks of shrimp may provide a solution to this problem, but are still openly concerned by this adverse development.

Fishing on the east coast of India, where virgin stocks abound, has begun, but friction between artisanal fishermen and trawlers has been reported. The lack of an infrastructure to meet the needs of the shrimp export industry is

also hindering the progress of this fishery.

Problems involving financing, which have forced some exporters to suspend activities, have also upset the industry, but seafood dealers see signs that local bankers are taking another look at the industry.

Finally, the establishment of the Marine Products Export Development Authority is seen as a move which may cause some initial hardships, but which the industry feels will have a long-range beneficial impact on the country's shrimp exports.

OTHER EXPORTS

The canning and dried seafoods industry apparently suffered from severe setbacks in 1972, with exports declining. The dried fish and prawn industry were reportedly the hardest hit. There were no explanations for these setbacks. ("Seafood Export Journal," Annual, January 1973 and other sources.)

Prepared by NMFS International Activities Staff.

Letters¹

Status of FPC in U.S.

ROBERT W. SCHONING
Acting Director, NMFS

...would you...ask someone on your staff to forward me an up-to-date report on the status of FPC in the U.S.A. if one is available...

HUGH MUNRO
566 Minette Circle
Mississauga, Ontario
Canada

Regarding the present status of FPC in the U.S., a decision was made recently to terminate the National Marine Fisheries Service's 12-year FPC research and development program. This was due in part

to the overall budget cutbacks experienced by our Agency, as well as the expiration of the FPC Act (PL-89-701, as amended) on June 30, 1972.

Plans are being developed to dispose of the Experiment and Demonstration Plant in Aberdeen, Washington, and the limited quantities of product remaining from its operation. We are also currently compiling information so as to provide as complete an information package as can be developed for anyone generally interested in FPC or considering its commercial development. This will make available all information generated by our activities over the past years, as well as a detailed discussion of the state-of-the-art and a description of the remaining unresolved problems. This information package will be put on microfilm and its availability publicized. If you would be interested in obtaining a copy, please write:

Dr. George Knobl
Director
College Park Fishery
Products Technology Laboratory
Regents Drive
College Park, Maryland 20740

It should be available in 2-3 months.

Limited domestic interest in FPC within the industry appears to be continuing, based upon our contacts, as well as the number of requests for samples of the product produced in Aberdeen. However, until the one pound packaging restriction presently in the U.S. Food and Drug Administration (FDA) regulations is removed, the emergence of a domestic industry is unlikely. A petition to remove this restriction is presently being considered by FDA and a favorable disposition is expected shortly.

Regarding international interest in FPC, I suggest you write Dr. Steve R. Tannenbaum at the following address and request a copy of the proceedings from an international conference on FPC held in Cambridge in June 1972.

Dr. Steve R. Tannenbaum
Associate Professor of
Food Science
Department of Nutrition
and Food Science
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Cambridge, Massachusetts 02139

This will give you a summary of both the interest and activities of the many countries represented at the conference.

JOSEPH W. SLAVIN
Associate Director for
Resource Utilization

Publications

"Our Living Oceans"

A new NMFS publication series, "Our Living Oceans," developed jointly by the NOAA Publications Office and the Extension Division, has been established. The first number issued is "Secrets of the Sea."

The series is primarily oriented toward educational user groups, ages 8 to 18. Much of the information, however, should also be useful to anyone interested in living marine resources.

Copies of "Our Living Oceans" are available from NMFS Regional Coordinators. Additional copies are also available from D83, Technical Information Division, Environmental Data Service, NOAA, Washington, DC 20235.

"Hawaiian Reef Animals"

NMFS scientist Edmund Hobson is co-author of a new book, "Hawaiian Reef Animals," published by the University of Hawaii Press with support in part from the State of Hawaii and from NOAA's Sea Grant Program. Dr. Hobson wrote the introduction and the section on fishes. E.H. Chave, University of Hawaii, contributed a section on invertebrates.

The book is illustrated with 86 superb full-color photographs of the fishes and invertebrates. These were all taken by Hobson, a skillful diver and photographer of professional ability.

Hobson received his doctorate from the University of California, Los Angeles. At present he is working at the Marine Science Center, Avalon,

¹Editor's Note: The plural here is an optimistic misnomer, since we have only one letter. But it deals with an important topic. We would like to use this space to print answers by NMFS specialists to fishery questions of general interest. If you have such a question, please address it to the Editor, *Marine Fisheries Review*, Room 450, 1107 N.E. 45th St., Seattle, WA 98105. We reserve the right to edit letters.